THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI GINGEE N. RAMACANDRAN):

(a) Review of the tax structure is a continuous process and necessary legislative changes are made every year as part of the annual budgetary exercise; and

(b) The tax-GDP ratio in 1990-91 was 10.1 per cent after declining to a level of 8.2 per cent in 1998-99, the ratio has steadily risen in recent years to reach a level of 9.2 per cent in 2000-2001.

(c) and (d) In view of reply to part (b) do not arise.

Decline in market value of rupee

85. SHRI C. RAMACHANDRAIAH: Will the Minister of FINANCE be pleased to state:

(a) whether it is a fact that constant decline in the market value of rupee is a matter of concern and is fraught with serious consequences;

(b) whether it is also a fact that it happened at a time when economic fundamentals are favourable for a stable rupee;

(c) if so, the reasons therefor, and

(d) the steps being taken to shore up the value of rupee?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI BALASAHEB VIKHE PATIL): (a) and (b) The exchange rate of rupee is largely market determined. The rupee has depreciated against the US dollar, the Euro and the Pound sterling by 4.2 per cent, 2.1 per cent and 0.8 per cent respectively, while it has appreciated against the Japanese Yen by $.8 per cent during April-January 2001-02, over the corresponding period of 2000-01; The movements of rupee, especially against the US dollar and the Euro, are consistent with maintaining/improving India's external competitiveness.

(c) and (d) The day-to-day movements in exchange rates are determined by the demand and supply conditions in the foreign exchange market and short-term factors. The primary objective of the Reserve Bank in regard to the management of the exchange rate

continues to be the maintenance of orderly conditions in the foreign exchange market, meeting temporary supply-demand gaps, which may arise due to uncertainities or other reasons, and curbing destabilising and self-fulfilling speculative activities. To this end, the Reserve Bank monitors closely the developments in the financial markets at home and abroad and take such monetary and other measures as it considers necessary from time to time.

Kisan Credit Card

†86. SHRI ANIL SHARMA: Will the Minister of FINANCE be pleased to state:

(a) whether any target has been fixed for the Kisan Credit Card to be issued by the public sector banks in the country during 2000-2001, 2001-200?. and 2002-2003;

(b) if so, the year-wise and bank-wise details thereof;

(c) the performance of each of the banks in this regard; and

(d) the steps taken by Government to ensure the targets are met by all the banks in the State?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI BALASAHEB VIKHE PATIL): (a) to (c) Target set for public sector banks for the years 2000-2001 and 2001-2002 by Reserve Bank of India (RBI) and their achievement (upto October 2001) are furnished in the Statement. *(See* below) As for the year 2002-2003 no such targets have yet been fixed.

(d) Implementation of the Kisan Credit Card (KCC) scheme and progress made by banks in achieving the target is closely monitored by Government and RBI on monthly Basis. Banks have been advised to give adequate publicity to create awareness about the KCC Scheme among farmers. Banks have also been advised to hold widely publicized functions for distribution of cards by inviting local public representatives.

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†Original notice of the questions was received in Hindi.